This report discusses the situation of internet marketing in Lebanon, highlights challenges and opportunities. It also discusses few cases of companies which have implemented such strategies.

Internet Marketing in Lebanon

Current Situation, Challenges and Opportunities

By Samer Bechara

INTRODUCTION

When it comes to using technology in order to solve business challenges, Lebanon has been generally far behind developed countries. This report examines the current situation, challenges and opportunities Lebanese institutions face when it comes to using the internet as a marketing medium. It also highlights a few case studies of companies who have successfully (or unsuccessfully) used the internet in order to leverage their business.

CURRENT SITUATION

Most businesses in Lebanon are still marketing the same way they used to market decades ago. They are trying to sell their products or services to customers. However, customers these days are tired of being sold. Look around you, there are tons of billboard ads, thousands of TV commercials every day, tens of thousands of newspaper ads. All of these ads are saying one thing: "Buy from us". Customers are being bombarded by ads, and they automatically ignore ids which display the slightest hint of selling.

However, rare are the businesses who have realized that selling no longer works; those businesses have started creating value for their customers, in order to raise their interest level. The importance of the internet is that it allows companies to create huge value around their products, and raise the interest of their customers by addressing specific target groups, in a highly effective manner. Here is a comparison of effective vs. traditional marketing methods currently being used by businesses in Lebanon, with an emphasis on effective online techniques.

| Traditional Methods | Effective Methods |
|---|---|
| One-way communication: Billboards, TV Commercials, Newspaper Ads | Two-way communication: Interactive Website, Informational Newsletter, Social Network Activity (Facebook, Twitter, LinkedIn) |
| Provides little or no value; Selling mentality | Aims to provide value; Sale follows value (Blog, EBooks, White papers) |
| Rarely educates or entertains | Educates and entertains customers (Newsletter, YouTube Videos, Mobile Applications) |
| | |

Although many Lebanese companies have a web presence these days, they're not utilizing the internet medium up to its full potential. Most Lebanese companies websites act like online brochures; Social networks are mostly being used for generating brand awareness (letting people know that the company exists), with no real value created.

CHALLENGES

According to my personal experience and observations, here are the biggest obstacles which prevent Lebanese businesses from fully utilizing the potential of the internet in order to market their products and services.

 Processing Internet Payments: Most Lebanese do not have access to online payment solutions (Credit Cards, PayPal...), which are a necessity to buy stuff online. However, the internet could still be used in order to raise the interest level of customers, and process the payment alternatively. (Western Union, Mobile Payments, Cash on Delivery...)

- 2. Lack of trust in the internet: Lebanese are skeptical by nature, and they never trust companies selling over the internet, due to the poor customer service they face with most Lebanese companies. If they're treated badly in person, what would they expect from an internet purchase? However, a company could really differentiate itself by providing excellent customer service, and extending that to their internet presence.
- **3.** Lack of expertise: Even those companies who understand the power of internet marketing fail to implement their vision, because there are not enough internet marketing experts in Lebanon. Internet marketing strategists need to have an understanding of marketing and technology, a unique combination rarely present.

OPPORTUNITIES

There are a lot of reasons to create an online marketing campaign. Here is why I think every company should create an online marketing strategy:

- **Easily differentiate yourself**: Very rare companies know how to properly implement an online marketing strategy. Whether you're in education, consulting or any other industry, how many of your competitors are really using the power of the internet? The answer is almost always none or very few.
- **Customer receptivity:** Online marketing is still a very new field in Lebanon, and customers aren't being effectively targeted. Contrary to what you may hear, customers are very eager to see advertisements relevant to their own needs.
- Internet penetration rate: More than 40% of the Lebanese population actively uses the internet. No other medium is able to actively reach those people in such an effective and targeted manner.

CASE STUDIES

LBCI SPORTS

Website: http://lbci.com/sports

Facebook Page: http://www.facebook.com/LBClsports

LBCI has been the leading Lebanese TV channel for decades. They have been covering the Lebanese Basketball League for more than 15 years now. Since basketball is a very popular sport in Lebanon, lots of viewers watch each game, and generate a lot of revenue for the company. However, it has been a one-way communication for the past years. In 2013, LBCI started changing that by creating a two-way communication channel. Here is how they did it.

- LBCI Sports team created a two-way communication channel with its viewers.
 - Facebook Page: People post comments about their experiences, and they engage in direct communication with each other and the LBCI Sports team. Example: There was a time where the games were being interrupted in order to post irrelevant news flashes. This created an outrage among basketball fans, and the station stopped interrupting games unless the situation was a very severe one.
 - Player of the game: LBCI Sports allows viewers to vote for the best player of the game on their website, while the game is still running.

• LBCI Sports provided its viewers with value: The team didn't ask people to like their page, or subscribe to their YouTube channel. They regularly post upcoming game times on Facebook, upload free game replays on YouTube, and keep up with the latest sports news through their website.

Results: LBCI Sports team created a higher level of engagement which isn't present even if you're watching the game from the court. Many people now prefer to watch the game on TV instead of going to the court.

MATTAR LAW

Website: http://mattarlaw.com/

Mattar Law is a legal Lebanese firm which has been offering legal services for more than 40 years. Mattar Law was founded by Salah Mattar, a very well know lawyer in Lebanon. Although the company is already doing very well, they realized the potential of the internet in order to help them further expand their services.

The company has obviously invested in creating a website which appeals to search engines. If you search on Google for **offshore company Lebanon**, **register a company in Lebanon**, **Lebanon Company Registration**, as well as a huge combination of keywords, you will find Mattar Law website in the top 5 results.

Since most of people searching for those keywords are from outside of Lebanon, as Google data shows, the company had to change the way it does business, in order to enable clients abroad to work easily with them. I personally found them through Google, contacted them via their website, and they were very responsive. A prospect client could register a company in Lebanon without even visiting their offices! How many people abroad can use this service? An excellent use of technology!

SAYFCO HOLDING

Facebook Page: http://www.facebook.com/SAYFCO

No study would be complete without the discussion of a poor use of the internet. SAYFCO Holding is one of the most reputable real estate companies in Lebanon as their website states. Their Facebook page has more than 2,100,000 fans (Yes, that's 2.1 Million), and they claim they are the No.1 Facebook real estate page in the world.

However, if you take a look at their page, it's easy to know that they care about the numbers more than they care about the business outcome. As of May 13, 2013, the company has only completed projects in Lebanon, as you can see here: http://sayfco.com/latestProjects.asp. Let's say all fans were Lebanese (and they aren't). Would you think there are 2.1 Million Lebanese out of 4 Million who are interested in buying from Sayfco Holding and can afford it?

Result: The company has wasted a lot of time marketing its Facebook page, and I'm not sure how much business they got out of that. They could have better created a newsletter to be sent to 200-300 people about to get married, and they could have gotten a much better return over investment.

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For suggestions, feedback or possible collaboration, do not hesitate to contact me

Samer Bechara

+961-3-873548

sam@thoughtengineer.com

http://thoughtengineer.com/